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14 *Pro Hac Vice Pending*

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16 **UNITED STATES DISTRICT COURT**
17 **DISTRICT OF NEVADA**

18 INNOVATIV MEDIA GROUP, INC., a
19 Wyoming corporation,

20 Plaintiffs,

21 vs.

22 MICHAEL BEYS; RICHARD DE SILVA;
23 FTE NETWORKS INC., a Nevada
24 corporation.

25 CASE NO.:

26 **VERIFIED COMPLAINT FOR:**

27 **1. Violation of Section 14(a) of the Exchange
2. Violation of Section 20(a) of the Exchange
3. Fraud.**

28 **VERIFIED COMPLAINT**

29 Plaintiff INNOVATIV MEDIA GROUP, INC. ("Innovativ") by and through counsel,
30 complains and alleges as follows:

31 **PARTIES AND JURISDICTION**

32 1. Innovativ is a Wyoming corporation, whose principal place of business is located
33 in New Mexico, and who owns 500,000 shares of common stock of FTE, and who intends to and

1 continues to hold 500,000 shares of common stock.

2 2. FTE is a Nevada corporation incorporated the State of Nevada.

3 3. On information and belief, defendant Michael Beys (“Beys”) is a resident of New
4 York, and is a current director and the interim Chief Executive Officer (“CEO”) of FTE.

5 4. On information and belief, defendant Richard De Silva (“De Silva”) is a resident of
6 California, is a current director of FTE.

7 5. This Court has jurisdiction pursuant to 28 U.S.C. § 1331 and 15 U.S.C. § 77v(a)
8 because this complaint alleges claims arising under federal statute, and supplemental jurisdiction
9 pursuant to 28 U.S.C. § 1367.

10 6. This Court has personal jurisdiction over FTE, a Nevada company, and Beys and
11 De Silva, as directors and/or officers of a Nevada company.

12 7. Venue is appropriate in this Court under 28 U.S.C. § 1391(b) and 15 U.S.C. §
13 77v(a).

14 **GENERAL ALLEGATIONS**

16 8. Originally incorporated as Beacon Enterprise Solutions Group, Inc., FTE is a
17 Nevada corporation, and is required to make filings with the Securities and Exchange Commission
18 (“SEC”) pursuant to federal securities laws and related SEC rules and regulations.

19 9. FTE is currently managed by a board of three directors: Beys, De Silva and Joseph
20 Cunningham (“Cunningham”) who were appointed to the board in 2019.

21 10. FTE has not held a shareholder meeting since December 2018, and Beys, De Silva
22 and Cunningham have never been elected or confirmed by the shareholders of FTE.

23 11. The various misdealings of Beys and De Silva are the subject of a currently pending
24 shareholder derivative suit, *Innovativ Media Group, et. al v. Beys*, 2:22-cv-01184, asserting both
25 direct and derivative claims for their various breaches of fiduciary duties and fraud perpetuated
26 upon FTE’s shareholders. A copy of that complaint is attached as **Exhibit 1** and its allegations are
27 incorporated by reference into this proceeding pursuant to Fed. R. Civ. P. 10(c).

1 12. On August 17, 2022, FTE filed a Definitive Proxy Statement with the SEC in
2 contravention of multiple SEC rules. The Proxy is attached as **Exhibit 2**. The purpose of this
3 Proxy is notice and hold a shareholder meeting in an expedited manner, as the Proxy sets a meeting
4 to occur on August 29, 2022.

5 13. Under 17 C.F.R. § 240.14a-3(a), a company cannot use a proxy statement without
6 first filing an annual report (“10-K”) or attaching an annual report to the proxy. SEC rules require
7 companies to deliver an annual report containing financial statements and other disclosures to
8 shareholders in connection with any annual meeting of shareholders at which directors will be
9 elected.

10 14. Companies may satisfy this requirement by delivering a copy of a form 10-K for
11 the most recent fiscal year.

12 15. These annual reports assist shareholders in making reasoned and informed
13 determinations regarding their interests in a company, and require a company to disclose, among
14 other things, executive compensation, audited financials, risk factors, assets, and organization
15 structure.

16 16. FTE had not filed an annual report on form 10-K for 2020.

17 17. The last 10-K FTE filed was in November 2020 for the year 2019.

18 18. FTE is incapable of meeting the SEC rule requirements because it has not filed its
19 SEC- required form 10-K for the fiscal year that ended on December 31, 2021.

20 19. Beys signed this 10-K and verified, under oath and pursuant to 17 C.F.R. § 240.13a-
21 14, that its contents were truthful and accurate.

22 20. FTE had not, and still has not, filed a 10-K for 2021.

23 21. FTE has not provided its shareholders with audited financials for the years 2020
24 and 2021.

25 22. FTE has not been granted leave from the SEC to forego providing its shareholders
26 with an annual report.

27 23. Without an annual report, FTE (or any company) cannot hold an annual meeting.

1 24. In order for shareholders and the SEC to determine whether a company has not, in
 2 good faith, complied with their annual reporting requirements to shareholders, a 10-Q should
 3 contain specific, factual detail demonstrating good faith efforts to comply with SEC rules and to
 4 keep it shareholders informed.

5 25. FTE has failed to file a notification of late filing with the SEC on Form 12b-25
 6 explaining why they are unable to timely file their Forms 10-K for 2021 and disclosing whether
 7 they anticipate reporting any significant change in results of operations from 2020 once the filing
 8 is made, further exacerbating issues with adequate disclosure to its shareholders. FTE has not filed
 9 any quarterly reports on form 10-Q since November 2018.

10 26. FTE routinely has not filed quarterly reports on form 10-Q explaining why they are
 11 unable to timely file an annual form 10-K, further exacerbating issues with adequate disclosure to
 12 its shareholders.

13 27. FTE routinely has failed to file notifications of late filing with the SEC on Form
 14 12b-25 explaining why they are unable to timely file their Forms 10-Q and disclosing whether they
 15 anticipate reporting any significant change in results of operations from the prior corresponding
 16 reporting period once the filing is made, further exacerbating issues with adequate disclosure to its
 17 shareholders. *See* Exh. 2.

18 28. FTE's Proxy discloses that FTE did not pay its accounting firm, Turner & Stone,
 19 for the year 2021, indicating that FTE has not attempted to undertake the actions required for it to
 20 be able to file an annual form 10-K.

21 29. FTE's Proxy states that it is a "Definitive Proxy Statement." *See id.*

22 30. Under 17 C.F.R. § 240.14a-6(a), a company cannot file and use a definitive proxy
 23 statement in connection with a meeting of its shareholders without first filing a preliminary proxy
 24 statement with the SEC and allowing ten days for SEC to comment upon it, if the proxy seeks to
 25 amend and restate the bylaws of a company in their entirety.

26 31. FTE's Proxy seeks to amend and restate its bylaws in their entirety. *See* Exh. 2.

27 32. This proposal seeks to reverse a prior bylaws amendment executed in February

1 2022, which blocked certain transfers of stock without shareholder consent.

2 33. Innovativ has recently discovered that FTE, Beys and De Silva violated that bylaws
3 amendment and did transfer invalid stock without the requisite consent.

4 34. FTE did not file a preliminary proxy statement with the SEC prior to filing this
5 definitive statement.

6 35. However, prior to FTE's last shareholder meeting, it did file a preliminary proxy
7 statement because FTE sought to amend its articles at the last meeting.

8 36. FTE is purporting to hold a shareholder meeting on August 29, 2022, which does
9 not provide the SEC sufficient time to review and comment upon FTE's proxy statement.

10 37. Because FTE never filed a preliminary proxy statement, the SEC was not given the
11 opportunity to review and comment upon the proxy for accuracy and compliance, to the detriment
12 of FTE's shareholders.

13 38. FTE's Proxy contains multiple other fraudulent and/or misleading material
14 representation and/or omissions.

15 39. FTE inaccurately represents that, as of the record date, July 27, 2022, there are
16 48,766,614 shares, common and preferred, entitled to vote. Exh. 2.

17 40. FTE's shareholder list, however, reveals that as of the record date, FTE had
18 [REDACTED] shares of its stock issued and outstanding, not 48,766,614. *See Exhibit 3.*¹

19 41. FTE explains this discrepancy by falsely representing that 22,063,376 shares of
20 common stock and 200 shares of Series I preferred stock issued to shareholders Alexander
21 Szkaradek and Antoni Szkaradek are not entitled to vote because these shares are the subject of
22 litigation in Delaware federal court. *See FTE Networks, et al v. Szkaradek*, 1:22-cv-00785-MN.

23 42. There is no court order in Delaware prohibiting the Szkaradeks from voting their
24 stock. *See FTE Networks, et al v. Szkaradek*, 1:22-cv-00785-MN.

25 43. There is no court order in any jurisdiction that prohibits, prevents or otherwise
26 restricts the Szkaradeks from voting their shares of stock.

27 _____
28 ¹ Pursuant to court order, Innovativ has requested leave to file this list under seal.

1 44. Nothing in Nevada's corporate code or judicial jurisprudence divests a shareholder
 2 of voting rights merely because they have been named in litigation adverse to the company.

3 45. To the contrary, under NRS 78.350(1), voting rights can only be restricted in the
 4 articles of corporation or the certificate of designation. Otherwise, every shareholder of record is
 5 entitled to vote their stock at a shareholder meeting.

6 46. The only shareholders not entitled to vote are those who do not own shares as of
 7 the "record date," i.e., the date set by the board of directors which effectively "closes" the
 8 shareholder list until the next meeting. Once a record date is set, a meeting must generally be
 9 held within sixty days, and, if it cannot be held with that time, the record date must be reset.

10 47. According to FTE's shareholder list, the [REDACTED] are the current owners as of
 11 the [REDACTED], of the [REDACTED] FTE contends they cannot vote. Exh. 3.

12 48. According to FTE's articles, the Szkaradeks may vote their shares of common
 13 stock.

14 49. According to the FTE's Certificate of Designation, the Szkaradeks may vote their
 15 Series I Preferred Stock.

16 50. Beys, who is a licensed attorney, knows and/or should know of the falsity of this
 17 statement.

18 51. FTE's Proxy states that De Silva is the beneficial owner of 53.6% of the stock
 19 entitled to vote. Exh. 2.

20 52. This is a materially false statement because stock issued to De Silva's affiliated
 21 entities is void pursuant to Nevada law and FTE's bylaws.

22 53. Under NRS 78.315 and Paragraph 6.1 of FTE's bylaws, all transfers, conversions
 23 or issuance of stock must be approved by the board directors or the issuance is void. **Exhibit 4**
 24 (Bylaws).

25 54. Pursuant to FTE's current bylaws, the directors must approve transfer, conversion
 26 or issuance of stock in one of two ways. First, they can vote on the transaction at a director's
 27 meeting. Second, they can approve of the transaction in an action without a meeting. *Id.*

1 55. If a meeting of the directors is held, then Paragraph 3.11 of the bylaws only requires
2 a quorum of director votes to approve transfer, conversion or issuance of stock. *Id.*

3 56. If a meeting of the directors is not held, Paragraph 3.13 of the bylaws requires that
4 “all members of the Board . . . consent” in writing. *Id.*

5 57. Between January 28, 2022 and July 25, 2022, FTE’s board of directors did not hold
6 a directors meeting. **Exhibit 5** (March 28, 2022) Letter.

7 58. On [REDACTED] at a time when no directors meeting was held, approximately
8 [REDACTED] shares of the following [REDACTED] stock was issued, transferred and/or converted:

- 9 a. [REDACTED];
- 10 b. [REDACTED];
- 11 c. [REDACTED];
- 12 d. [REDACTED];
- 13 e. [REDACTED]; and
- 14 f. [REDACTED].

15 Exh. 3.

17 59. De Silva admits that he is the beneficial owner of all stock held by [REDACTED]

18 [REDACTED]
19 [REDACTED] in the Proxy. *See* Exh. 2.

20 60. De Silva has filed Forms 13D with the SEC for stock issuances to certain other of
21 these entities, further admitting he is considered a beneficial owner of their shares.

22 61. These statements in the Proxy, and the shareholder list, reveal that De Silva, as an
23 insider, is deficient on his form 4 filings with the SEC.

24 62. On information and belief, De Silva has not filed his form 4 filings because he did
25 not want to alert shareholders to these insider transactions prior to the shareholder meeting.

26 63. On [REDACTED], on information and belief, FTE issued an additional [REDACTED]
27 shares to [REDACTED].

1 64. On information and belief, De Silva may also beneficially hold these shares.

2 65. Because no meeting of the directors was held to approve these issuances, transfers,
3 or conversion, Cunningham's consent in writing was required for this transaction to be valid under
4 Nevada law and the bylaws.

5 66. Cunningham never provided his consent in writing, and the issuance, transfer or
6 conversion of this stock is void. FTE's representation that De Silva may vote these shares is false
7 and misleading.

8 67. Furthermore, the Proxy states that De Silva, beneficially, may vote the 2,000 shares
9 Series J-1 and J-2 preferred stock held by Lateral Credit U.S. Opportunities Fund, L.P. Exh. 2.

10 68. But, the voting rights of Series J-1 and J-2 Preferred Stock are contingent upon the
11 ability of the holders to vote Series I preferred stock. **Exhibit 6** (J-1 Certificate of Designation);
12 **Exhibit 7** (J-2 Certificate of Designation).

13 69. The [REDACTED] are the [REDACTED] stock in FTE. Exh. 3.

14 70. If, as FTE represents, the Szkaradeks cannot vote their Series I Preferred Stock,
15 then De Silva, and/or the entities he beneficially owns, cannot vote the Series J-1 and Series J-2
16 Stock.

17 71. Because these shares are each equivalent to 6,405.5 shares of common stock, this
18 significantly reduces the amount of stock attributable to De Silva and his related affiliates that may
19 be voted at a shareholder meeting.

20 72. FTE's Proxy fails to list the issuance of this stock to De Silva and his entities on its
21 list of Related Transactions included within the Proxy. *See* Exh. 2.

22 73. FTE's Proxy states that there have been no related-party transactions since January
23 1, 2021, but this stock was issued to De Silva and/or entities he beneficially owns in March 2022.
24 *See id.*

25 74. The issuances of stock on [REDACTED] and on [REDACTED], noted above,
26 were related-party transaction under Nevada law and under the definition provided by FTE in its
27 Proxy in that De Silva beneficially owns the stock, De Silva participated in the transaction, and
28

1 the stock is valued in excess of \$120,000.

2 75. Because De Silva was an interested director in this transaction, Cunningham's
3 failure to consent to this stock issuance in writing renders the transaction relating to this stock
4 void.

5 76. The issuance of stock to De Silva's affiliated entities also violates an amendment
6 made to FTE's bylaws by its shareholders in February 2022, the subject of which is being litigated
7 in Nevada's Eighth Judicial District Court for the County of Clark. The complaint is attached
8 hereto as **Exhibit 8**, and its allegations are incorporated by reference.

9 77. FTE's proposal to completely amend and restate the bylaws at the annual meeting
10 is to avoid this amendment, but the Proxy does not inform its shareholders of this fact. *See* Exh.
11 2.

12 78. FTE states, multiple times that Cunningham is not up for reelection because of a
13 lawsuit pending against him, but materially omits to inform the shareholders that Beys and De
14 Silva have been sued in a pending derivative action for violations of their fiduciary duties of
15 competency and loyalty, self-dealing, and for conspiracy to defraud FTE shareholders and loot
16 FTE assets. *See* Exh. 2; Exh. 1. This is material omission.

17 79. FTE also states that Cunningham does not qualify as an independent director due
18 to FTE's frivolous lawsuit it has filed against him, and that Cunningham "is unable to perform his
19 duties objectively."

20 80. The New York Stock Exchange, however, defines an "independent director" as
21 one who does not have a material or pecuniary interest in the company and is not part of the
22 executive team.

23 81. Cunningham does not have material or pecuniary interest in FTE, and is not part of
24 the executive team. Cunningham does in fact qualify as an independent director under the New
25 York Stock Exchange's rules, and FTE's statement is misleading.

26 82. Furthermore, because FTE is no longer listed on the New York Stock Exchange, its
27 repeated references to Cunningham's ability to be an "independent" are materially misleading,
28

1 false and irrelevant.

2 83. FTE's statements directly impugn Cunningham's character, integrity, personal
3 reputation and indirectly make charges concerning improper, illegal or immoral conduct or
4 associations, without factual foundation.

5 84. On its Summary Compensation Table, FTE lists Beys' sole compensation as
6 \$776,750 in salary.

7 85. On information and belief, however, Beys' law firm, Beys Liston & Mobaraga,
8 LLP, which he founded and is an equity partner in, has performed work for FTE and received legal
9 compensation for such work in excess of \$120,000. These amounts should have been listed in the
10 Proxy.

11 86. FTE's improper and materially deficient Proxy results in shareholders having less
12 than ten days notice of the meeting, as required by Nevada law and the bylaws, and inadequate
13 and/or inaccurate information upon which to make informed voting decisions that will affect the
14 value of their investments.

15 87. On August 15, 2022, two days before it filed its materially misleading and deficient
16 Proxy, FTE filed another 8-K. In that 8-K, signed by Beys, FTE does not inform shareholders of
17 the pending shareholder derivative action, yet informs shareholders of all of the other pending
18 litigation. FTE also misrepresents its alleged "success" in any lawsuit. **Exhibit 9**.

19 88. FTE's shareholders cannot make an informed decision as to the voting of their
20 shares until such time as FTE provides its shareholders with the information required by law, and
21 complies with all applicable laws and regulations.

22 89. For example, a receiver was recently appointed over FTE's material subsidiary,
23 U.S. Home Rentals, LLC in May 2022. **Exhibit 10** (Receiver Order). FTE has never disclosed
24 this fact to its shareholders, despite being required to file a form 8-K within five days of
25 appointment.

26 90. If an annual meeting of FTE shareholders were held in compliance with SEC rules,
27 Innovativ would have the information required by law attendant to its interest as a shareholder to
28

exercise its rights as a shareholder, in compliance with SEC rules and Nevada law, to solicit votes in opposition to the director nominees and bylaws proposal, encourage other shareholders to vote against the director nominees and bylaw proposal through a “just vote no” campaign, propose alternative director nominees, propose the ratification of the Bylaws Amendment or approval of a similar proposal to restrict issuances of FTE securities, or any combination of the above.

91. The above misrepresentations are material because a reasonable shareholder would consider these representations important in determining how to vote. These representations were made by FTE, as directed by Beys and De Silva, in order and with the intent to improperly influence and mislead the shareholder vote, withhold damaging information about Beys and De Silva's poor performance from them, cast aspersions on Beys' and De Silva's competing director, Cunningham, and misrepresent who is entitled to vote and may, therefore, have a true majority of the shares.

FIRST CLAIM FOR RELIEF
(Innovativ v. FTE - Violation of Section 14(a) and Rule 14a-9 of the Exchange Act)

92. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

93. By engaging the conduct described above, FTE directly or indirectly, by the use of mails, or the means or instrumentalities of interstate commerce or any facility of a national securities exchange, or otherwise, in contravention of Rule 14a-9 of the Exchange Act, solicited or permitted the use of its name to solicit proxies, consents, or authorizations in respect of non-exempt securities registered with the SEC pursuant to Section 12 of the Exchange Act by means of a proxy statement, form of proxy statement, notice of meeting or other communication that contained statements which, at the time and in light of the circumstances under which they were made, were false and misleading with respect to material facts or which omitted to state material facts necessary in order to make the statements therein not false or misleading or necessary to correct statements in earlier communications with respect to the solicitation of a proxy for the same meeting or subject matter which became false or misleading.

94. By engaging in the foregoing, FTE has violated and, unless restrained and enjoined,

1 will continue violating Section 14(a) of the Exchange Act, and the SEC rules promulgated
2 thereunder.

3 95. Innovativ has been forced to retain counsel as a result and is entitled to an award of
4 its reasonable attorney fees and costs.

5 **SECOND CLAIM FOR RELIEF**
6 **(Innovativ v. Beys and De Silva – Violation of Section 20(a) of the Exchange Act)**

7 96. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

8 97. Beys, as interim CEO and director, and De Silva, as director are controlling persons
9 of FTE who directly and/or indirectly induced the acts set forth above which violate Section 14(a)
10 of the Exchange Act.

11 98. Beys has personally signed all filings with the SEC since his appointment as interim
12 CEO.

13 99. De Silva sits on, and participates in, the various committees on the board of
14 directors which oversee compliance with and filing of forms and reports with the SEC.

15 100. Under 15 U.S.C. 78t(a), Beys and De Silva are jointly and severally liable to
16 Innovativ to the same extent as FTE.

17 101. Beys and De Silva's conduct was committed, at all times, intentionally and in bad
18 faith.

19 102. By engaging in the foregoing, Beys and De Silva have violated and, unless
20 restrained and enjoined, will continue violating Section 14(a) of the Exchange Act, and the SEC
21 rules promulgated thereunder.

22 103. Innovativ has been forced to retain counsel as a result and is entitled to an award of
23 its reasonable attorney fees and costs.

24 **THIRD CLAIM FOR RELIEF**
25 **(Fraud – All Defendants)**

26 104. Innovativ incorporates the preceding paragraphs as if fully set forth herein.

27 105. Defendants have made multiple statements and/or material omissions which, at the
28 time of their making, Defendants knew and/or should have known were false including, but not

1 limited to:

2 a. Statements in the Proxy that the Szkaradeks are not permitted to vote their shares;

3 b. Statements in the Proxy that De Silva is permitted to vote all of his shares;

4 c. Failure to disclose relevant information, including, but not limited to, pending

5 litigation against the current directors and the appointment of a receiver over FTE's

6 material subsidiary.

7 106. These false statements and/or omissions were made with the intent to induce
 8 shareholders, such as Innovativ, to refrain from taking action and/or to take the action advocated
 9 by FTE.

10 107. As a result of FTE's statements, Innovativ has been harmed and is entitled to seek
 11 compensatory damages.

12 108. At the time FTE's statements were made, they were made with malice, oppression
 13 and reckless indifference for their truth, such that an award of punitive damages is proper.

14 109. Innovativ has been forced to retain counsel and is entitled to an award of his
 15 reasonable attorney fees and costs.

16 WHEREFORE, Innovativ requests that this Court enter judgment as follows:

17 1. Finding that all Defendants violate the federal securities laws and rules promulgated
 18 thereunder as alleged against them in this Complaint;

19 2. Permanently restraining and enjoining Defendants, and their agents, servants, employees
 20 and attorneys and all persons in active concert who receive actual notice of the injunction and
 21 each of them, from directly or indirectly, violating or aiding and abetting violations of the
 22 federal securities laws alleged in this Complaint;

23 3. Restraining and enjoining Defendants, and their agents, servants, employees and attorneys
 24 and all persons in active concert who receive actual notice of the injunction and each of them,
 25 from directly or indirectly, moving forward with an annual meeting on August 29, 2022 in

1 violation of the federal securities laws and Nevada law alleged in this Complaint or such other
2 date unless and until there has been full compliance with applicable law;

3 4. Restraining and enjoining Defendants, and their agents, servants, employees and attorneys
4 and all persons in active concert who receive actual notice of the injunction and each of them,
5 from directly or indirectly, voting void stock issued in violation of Nevada law and FTE's
6 bylaws;

7 5. Innovativ requests that this Court enter a temporary restraining order and preliminary
8 injunction restraining, enjoining, and prohibiting FTE, Beys, De Silva, and any of their agents,
9 officers, affiliated entities, employees, and/or successors or assigns from:

10 a. Conducting the shareholder meeting on August 29, 2022;

11 b. Conducting any other shareholder meeting based on the proxy statement filed by
12 FTE with the Securities and Exchange Commission ("SEC") on August 17, 2022;

13 c. Conducting any shareholder meeting without having filed a preliminary proxy
14 statement and definitive proxy statement that each fully comply with Section 14(a) of the
15 Securities Exchange Act of 1934, as amended ("Exchange Act"), and Regulation 14(a)
16 thereunder;

17 d. Conducting any shareholder meeting prior to the filing of an annual report that
18 complies with the requirements of Rule 14a-3 under the Exchange Act and provision of
19 such report to all shareholders of record as required by such rule;

20 e. Accepting, considering, counting or otherwise giving effect to or relying upon any
21 proxies solicited by the board of directors of FTE pursuant to the definite proxy statement
22 filed with the FTE with the SEC on August 17, 2022;

23 6. Accepting, considering, counting or otherwise relying upon votes made at any meeting that
24 are based upon the stock issued to

25 a. [REDACTED];

26 b. [REDACTED];

27 c. [REDACTED];

28

- 1 d. [REDACTED];
- 2 e. [REDACTED];
- 3 f. [REDACTED];
- 4 g. [REDACTED]

5 Until such time as the validity and/or invalidity of these transfers can be determined.

6 7. Ratifying or otherwise attempting to retroactively validate the issuance of stock to
7 the entities listed in Paragraph 6, until such time as the validity and/or invalidity of these
8 transfers can be determined.

9 8. Taking any action in any court of any state which attempts to impede, impair,
10 disenfranchise, prohibit, enjoin, otherwise interfere with the voting rights of stock held by
11 the following entities or persons comprising the dissident shareholder group, and any of
12 their affiliates, prior to a final determination on the merits of the claims in that litigation:

- 13 a. Innovativ Media Group, Inc.;
- 14 b. TTP8, LLC;
- 15 c. Alexander Szkaradek;
- 16 d. Antoni Szkaradek;
- 17 e. Joseph Cunningham;
- 18 f. Steve Goodwin;
- 19 g. Peter Ghishan;
- 20 h. Khawaja Zargham Bin Aamer;
- 21 i. Thomas Coleman;
- 22 j. Bruce Fahey;
- 23 k. First Capital Master Advisor, LLC;
- 24 l. Majique Ladinier;
- 25 m. Danish Mir.

26 9. Issuing any additional shares of FTE stock, common or preferred, or any other
27 securities convertible into or exchangeable or exercisable for shares of common or
28

1 preferred stock to any person, including to current shareholders, prior to the next annual
2 meeting;

3 10. Designating any new series of preferred shares and/or converting any existing
4 common stock into a series of preferred shares prior to the next annual meeting; and

5 11. Filing any report, proxy statement, solicitation or annual report that is not in
6 compliance with the requirements of the Exchange Act or the rules and regulations
7 promulgated thereunder.

8 12. Innovativ further requests that this Court order FTE to immediately provide, within
9 twenty-four hours of entry, through its email listserv, a copy of any injunctive order issued
10 by this Court in this matter, to each shareholder of record identified on Exhibit 3, and, if
11 such shareholder does not have a valid email address, to deposit a copy of the order in the
12 mail to the address reflected on Exhibit 3.

13 13. For compensatory damages, according to proof;

14 14. For punitive damages, according to proof;

15 15. For an order awarding Innovativ its attorney fees and costs; and

16 16. Granting such other and further relief as this Court may deem just and proper.

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AFFIRMATION

The undersigned affirms that this document does not contain the social security number of any person.

Dated: August 23, 2022

FENNEMORE CRAIG, P.C.

/s/ Therese M. Shanks

Therese M. Shanks, Esq. (SBN 12890)

Wade Beavers, Esq. (SBN 13451)

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-AND-

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Pro Hac Vice Pending

VERIFICATION

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

I, THOMAS COLEMAN, President of Innovativ Media Group, Inc., being first duly sworn, do depose and say as follows:

That I am the President of the Plaintiff named in the above-entitled action and I make this verification on the knowledge except as otherwise stated: that I have read the Verified Complaint and know the contents thereof and that the same is true and correct of my own knowledge, except as to those matters stated therein upon information and belief and as to those matters, I believe them to be true.

DATED this 23rd day of August, 2022.

Thomas Coleman
Signed on 2022/08/23 11:36:15 -8:00
By: THOMAS COLEMAN

SUBSCRIBED and SWORN to
Before me by Thomas Coleman
This 23rd day of August, 2022.

300-17564C26
Braselton
Signed on 2022/02/23 11:38:15 -8:00

S. BRASELTON
NOTARY PUBLIC
STATE OF NEVADA
Commission # 10-3467-2
My Appt. Expires October 11, 2022

Notarial act performed by audio-visual communication

Notarial act performed by audio-visual communication



Exhibit List

Exhibit No.	Description
1	Case No. 2:22-cv-01184 Complaint
2	FTE Definitive Proxy Statement
3	FTE Shareholder List
4	FTE Bylaws
5	March 28, 2022 Letter
6	J-1 Certificate of Designation
7	J-2 Certificate of Designation
8	Clark County Complaint
9	FTE August 15, 2022, 8-K
10	Receiver Order